



Gray Television, Inc. Reduces Interest Rate On \$375 Million Term Loan

June 1, 2004

ATLANTA, June 1 /PRNewswire-FirstCall/ -- Gray Television, Inc. (NYSE: GTN; GTN.A) announced today that it has amended its existing senior credit facility to reduce the interest rate by 0.5% on its currently outstanding \$375 million term loan. This amendment should result in annual interest savings of approximately \$1.9 million.

The amendment also extends the final term loan maturity date six months to June 30, 2011. Certain loan covenants and other terms of the senior credit facility were also modified by the amendment to provide Gray with more favorable terms.

The amended interest pricing on the term loan is presented below with certain terms as defined in the loan agreement. Gray's interest rate is based on the lender's base rate (generally reflecting the lenders prime rate) plus the specified margin or the London Interbank Offered Rate ("LIBOR") plus the specified margin.

Applicable Margin for
Base Rate Advances
1.0%

Applicable Margin for
LIBOR Advances
1.75 %

Gray has elected to borrow these funds under its LIBOR option. The interest rate under this option is LIBOR plus the margin of 1.75%.

Wachovia Capital Markets, LLC served as sole lead arranger and sole book runner in connection with this amendment to Gray's senior credit facility.

Gray Television, Inc. is a communications company headquartered in Atlanta, Georgia, and currently owns 29 television stations serving 25 television markets. The stations include 15 CBS affiliates, seven NBC affiliates and seven ABC affiliates. Gray Television, Inc. has 22 stations ranked #1 in local news audience and 22 stations ranked #1 in overall audience within their respective markets based on the average results of the 2003 Nielsen ratings reports. The TV station group reaches approximately 5.3% of total U.S. TV households. The Company also owns five daily newspapers, four in Georgia and one in Indiana.

SOURCE Gray Television, Inc.

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